



Proposed Certificates of Obligation Issue

May 9, 2016

2016 CIP Total Tax Supported Projects and Funding

2016 CIP Tax Supported

Projects

Streets/Traffic	\$ 21,797,777
Drainage	8,043,144
Fire	110,000
Facilities	2,519,016
Parks	9,962,762
Economic Development	1,670,000
	<u><u>\$ 44,102,699</u></u>

Funding Souces

Existing Funds	\$ 14,792,381
Other inc. 4B, County, Grants	19,749,111
Debt	9,561,207
	<u><u>\$ 44,102,699</u></u>



2016 CIP Total Revenue Supported Projects and Funding

2016 CIP Revenue Supported

Projects

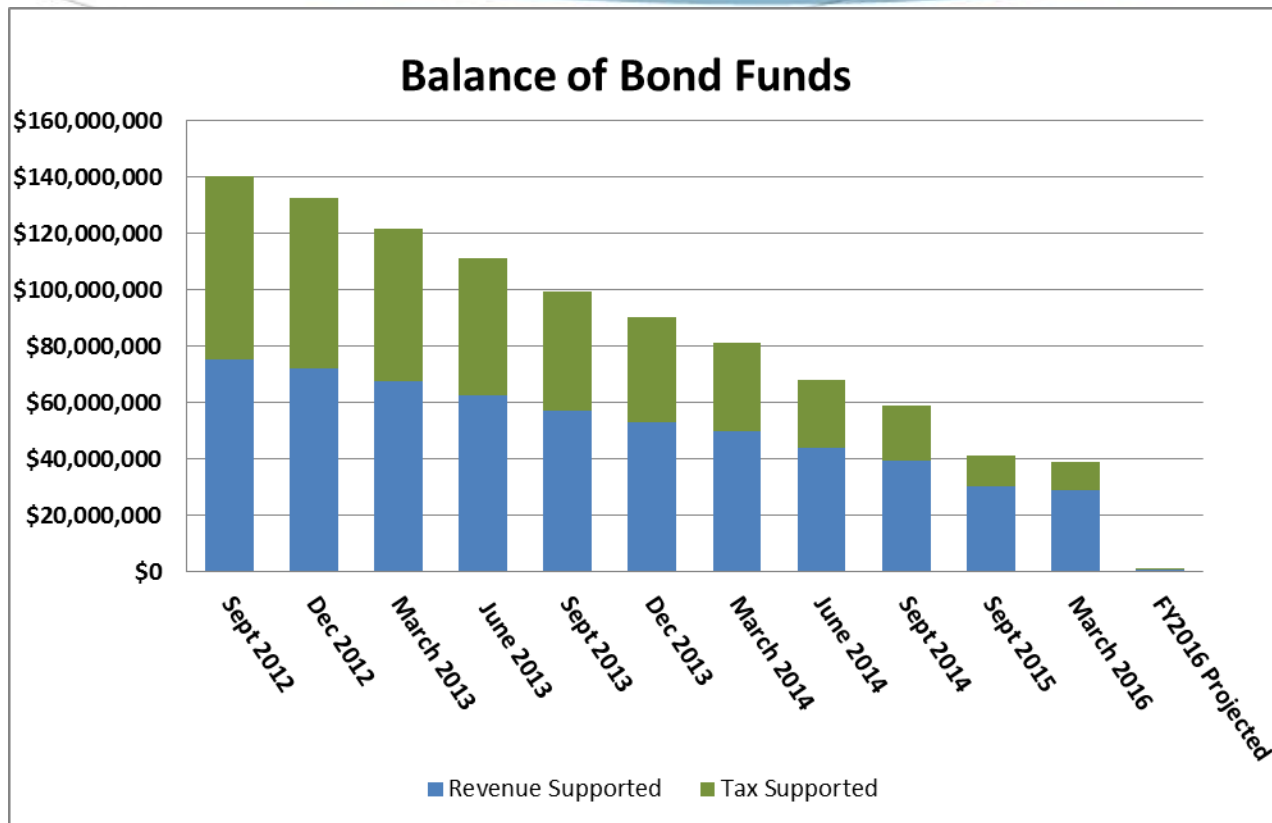
Water	\$ 16,298,112
Wastewater	6,127,180
	<u><u>\$ 22,425,292</u></u>

Funding Souces

Existing Funds	\$ 18,531,267
Debt	3,894,025
	<u><u>\$ 22,425,292</u></u>



Existing bond funds will be expended by year end



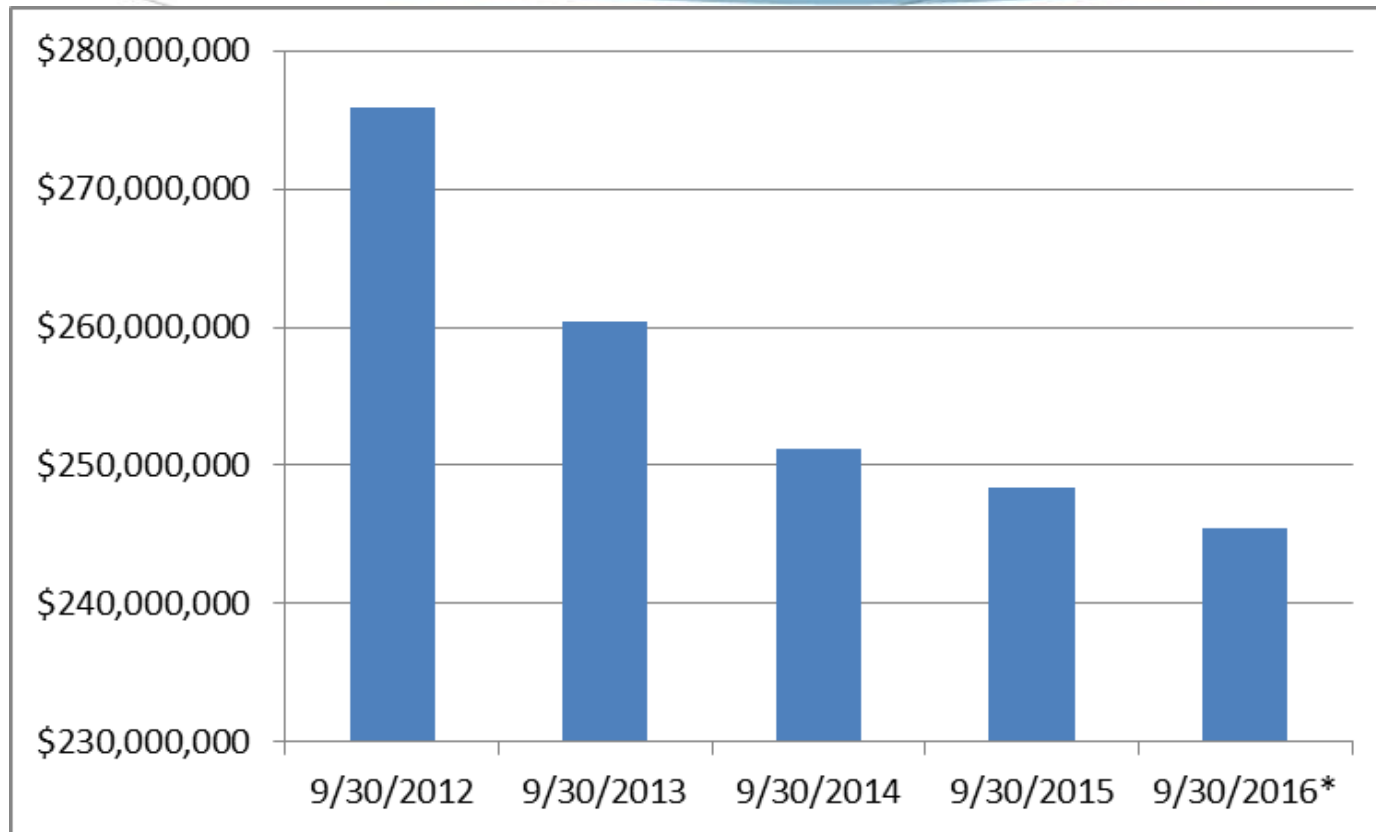
Purpose of the Proposed Bond Issue

To fund projects as defined in the 2016-2020 Capital Improvements Plan as adopted in the budget ordinance 2015-34 on September 8, 2015

Tax Supported	\$ 9.6 million
Revenue Supported	\$ 3.9 million
Cost of Issuance	<u>\$ 0.15 million</u>
Total	<u>\$13.65 million</u>



9/30/16 year end debt, less than 9/30/15



Projects in the FY 2016 Plan

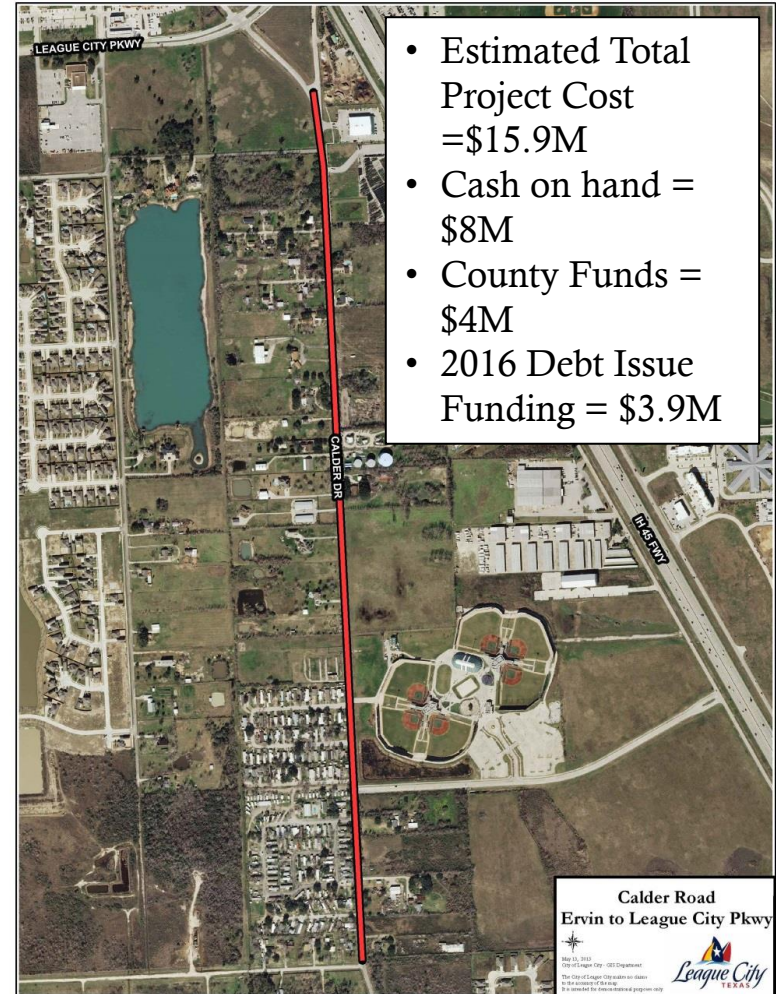
Projects included in the tax supported program are

- Calder Road \$3.9 million
 - Five Corners Realignment \$2.4 million
 - Stormwater Improvements \$3.0 million
 - Westside Econ Development \$0.2 million
- \$9.6 million**



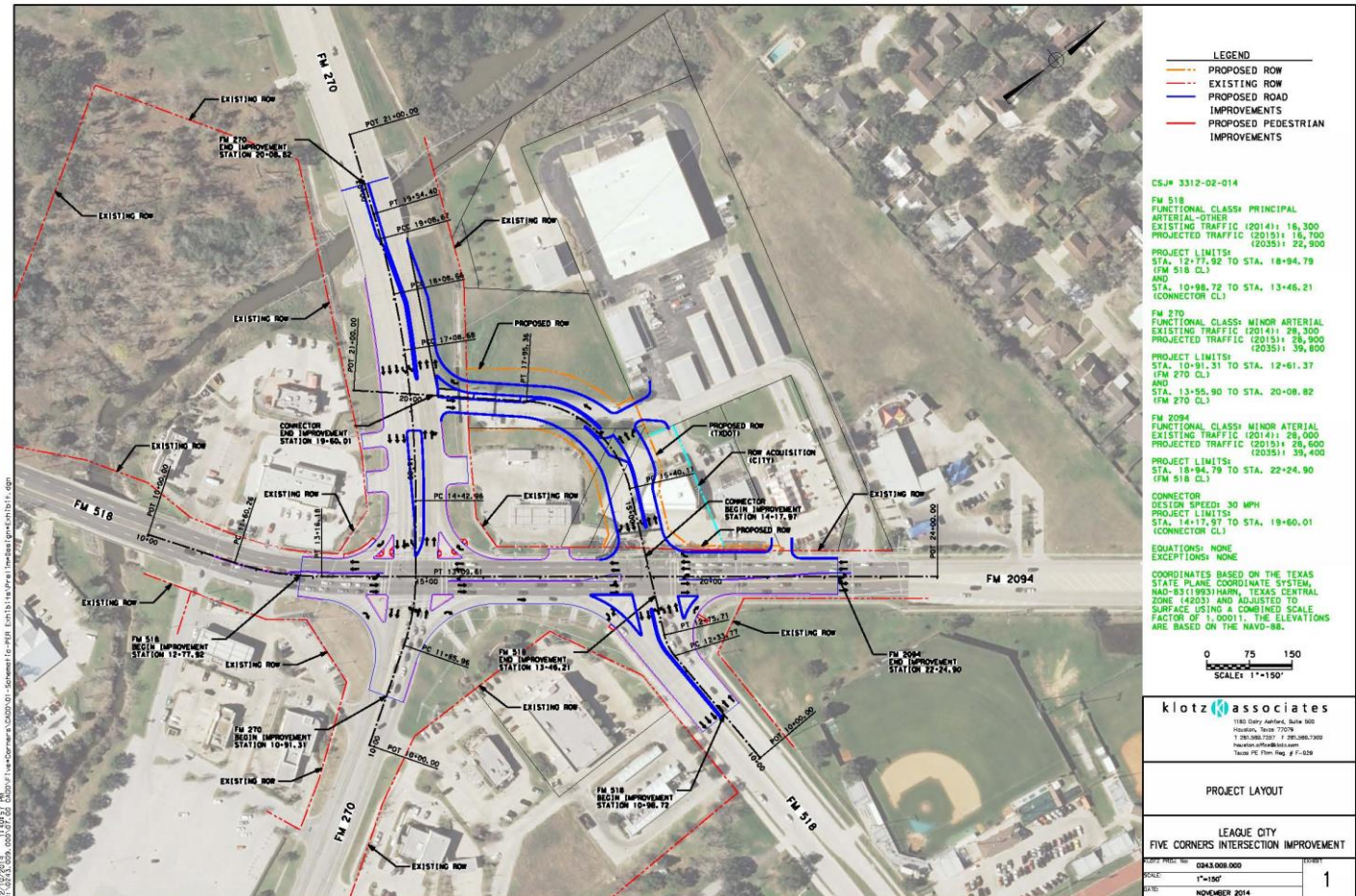
Calder Road (Ervin to League City Parkway)

- ❖ Joint project with Galveston County
- ❖ Galveston County responsible for the design and a portion of the construction up to approximately \$4.038 million
- ❖ City responsible for obtaining additional right-of-way and covering costs that exceed County's budget
- ❖ Project will convert an open ditch rural roadway to a 3-lane (2 travel lanes and one center turn lane) concrete-curb and gutter enclosed storm sewer roadway



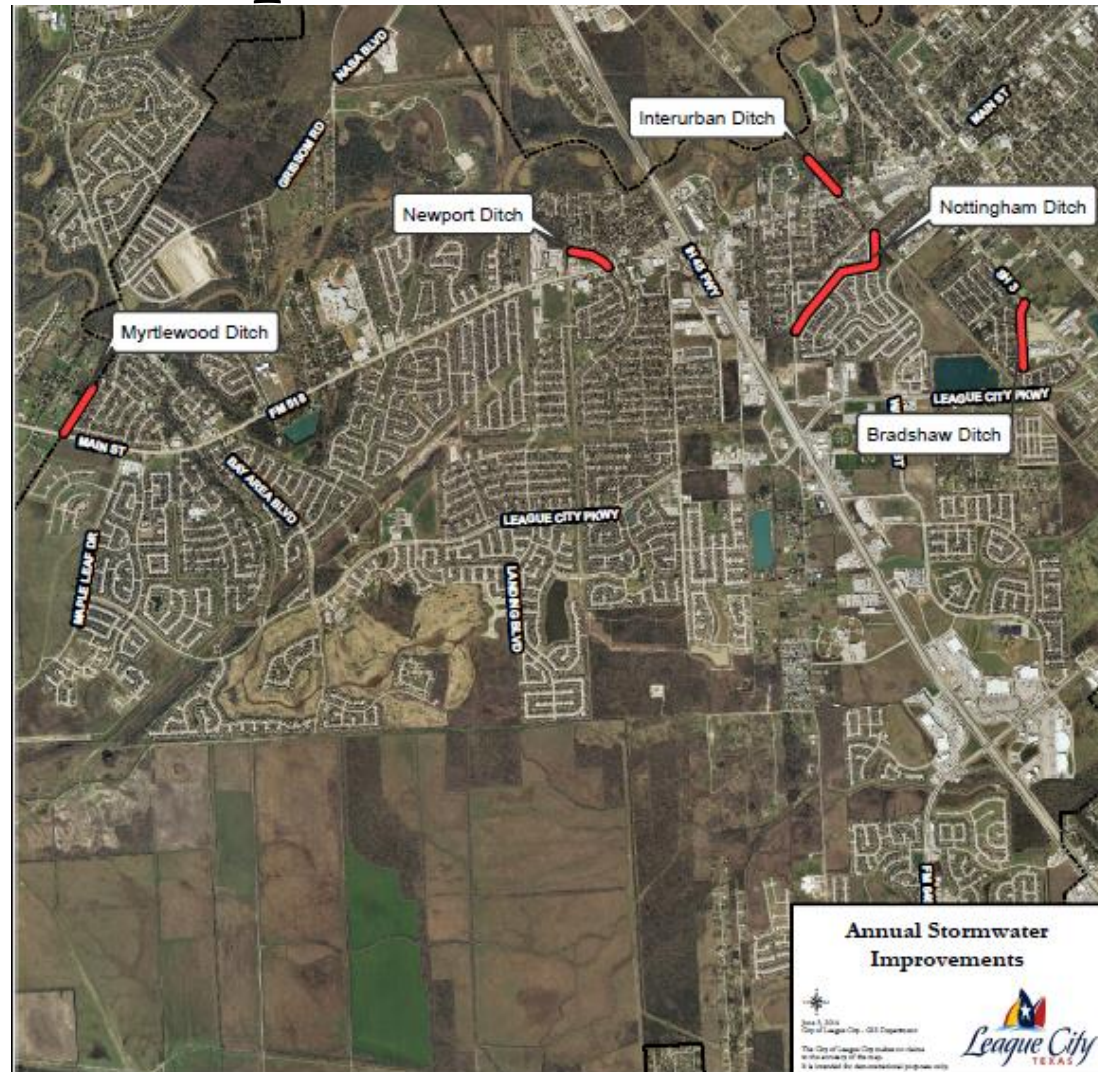
Five Corners Realignment

- Estimated Total Project Cost = \$7.9M
- Cash on hand = \$3.62M
- TxDOT funding = \$1.88M
- 2016 Debt issue funds = \$2.4M



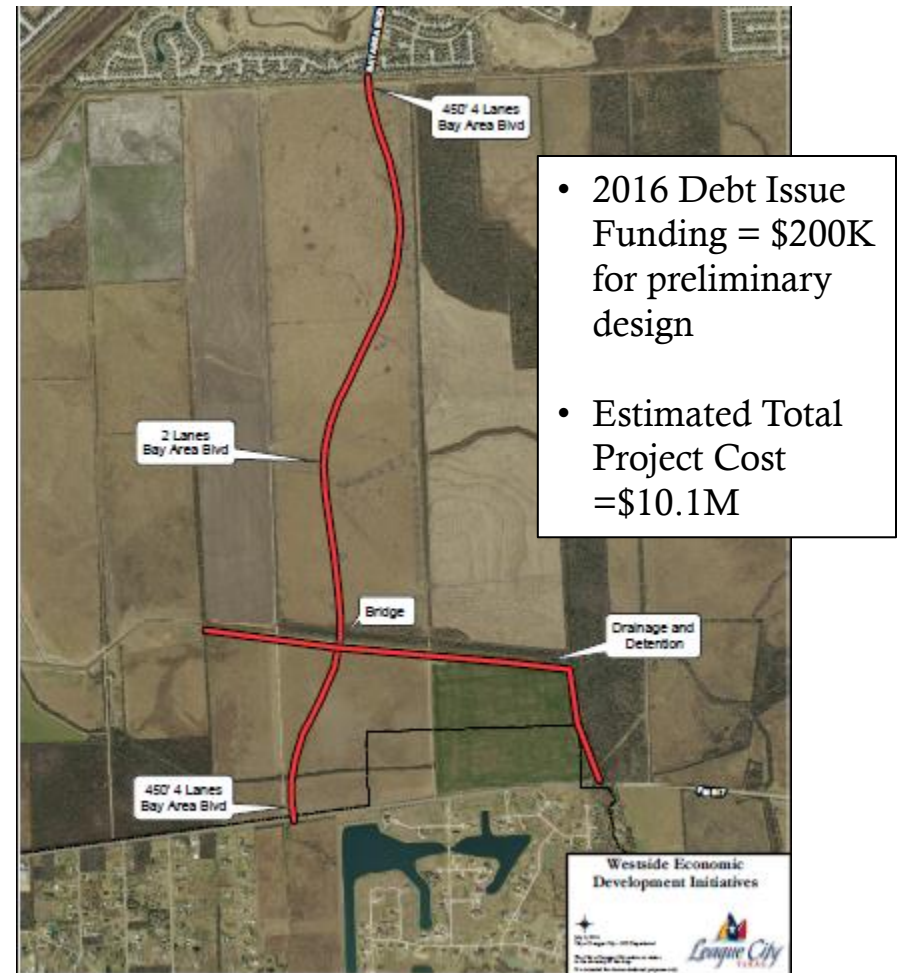
Stormwater Improvements

- ❖ Anticipated FY2016 project is construction of Nottingham Ditch improvements
- ❖ 2016 Debt issue funds = \$3M
- ❖ Estimated Total Project Cost for drainage improvements (FY2016-2020) = \$16M



Westside Economic Development Initiative

- ❖ FY2016 project:
Preliminary design for street and drainage infrastructure on west side of city = \$200K
- ❖ Estimated total project cost reflect the extension of Bay Area Blvd from its southern terminus in Magnolia Creek to FM517 and associated drainage, detention pond and bridge.



Projects in the FY 2016 Plan Included

“Water and wastewater system” authorization will provide funding for projects in the 2016 revenue supported CIP which include

- 36” Water line SSH Booster Station \$0.9 million
- New Water Lines west side \$0.7 million
- Sanitary Sewer Annual Rehab \$2.1 million
- Bay Area Blvd 12” Sewer Imp. \$ 0.2 million

\$3.9 million



36" Waterline SH-3 to SSH BPS

- ❖ Project consists of approximately 17,000 feet of 36-inch waterline
 - ❑ Connects SH-3 booster station with SSH booster station enhancing the ability to move water to the east side of the City and improve water pressure
- ❖ Project will provide a second connection from the City's major take point at SH-3 across Clear Creek



New Water Lines West Side

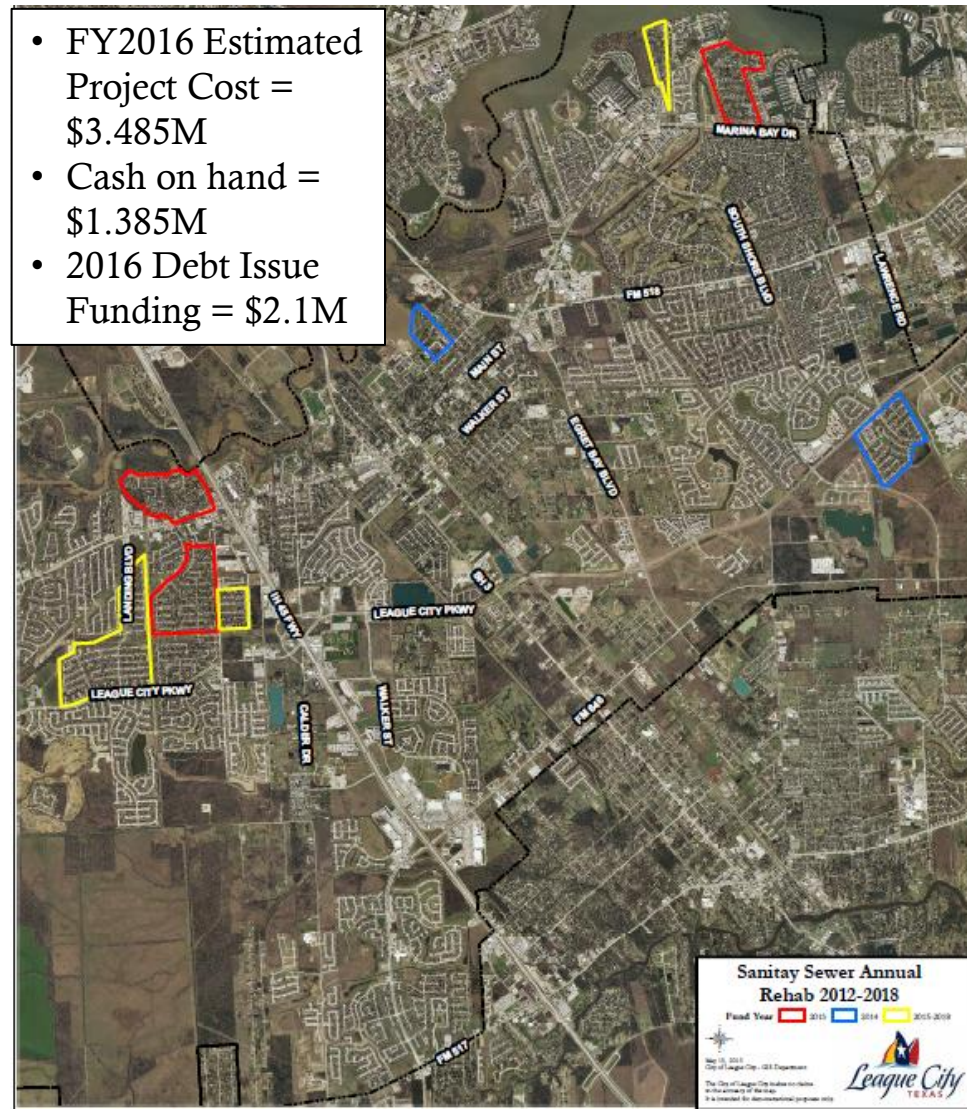
- ❖ Estimated Total Project Cost = \$5.67M
- ❖ FY2016 Funding for design/land = \$958,950
 - ❑ Water CRF fees = \$247,650
 - ❑ Bond needs = \$711,300



Annual Sanitary Sewer Rehab

- ❖ FY2016 project consists of
 - ❑ Construction to rehab 24" Gravity Sewer trunk line along FM2094 (South Shore Blvd to E Main Lift Station)
 - ❑ Construction to rehab 42" trunk line along Coryell (FM270 to DSWWTP)
 - ❑ Design rehab of another area based on current priority

- FY2016 Estimated Project Cost = \$3.485M
- Cash on hand = \$1.385M
- 2016 Debt Issue Funding = \$2.1M



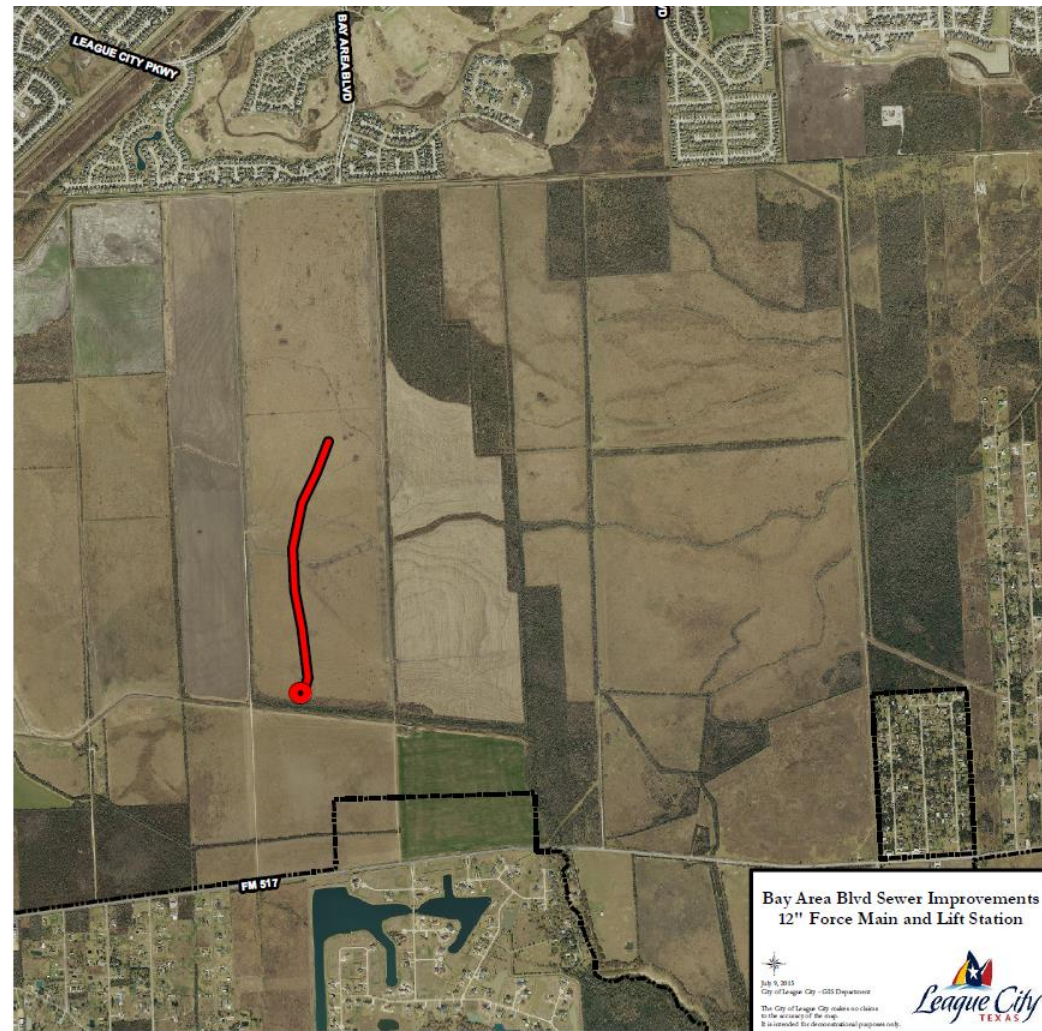
Sanitary Sewer Annual
Rehab 2012-2018

Fiscal Year: 2013 2014 2015-2018

Map 10, 2013
City of League City - GIS Department
The City of League City makes no claim
to the accuracy of this map.
It is intended for informational purposes only.

Bay Area Blvd 12" Sewer Improvements

- ❖ 4,550 LF of 12-inch sewer, a lift station, and 600 LF of 8-inch force main along the future Bay Area Blvd extension.
- ❖ Estimated Total Project Cost = \$1.38M
- ❖ FY2016 Bond Need = \$206,645 for Design



Types of Bonds

- General Obligation Bonds
 - Voted by the taxpayers
 - Property tax pledge – best interest rate
- Revenue Bonds
 - Pledge of water utility system revenue – higher interest rate and reserve fund required



Types of Bonds (continued)

- Certificates of Obligation
 - Council authorization, after posting proper notice
 - Notice provides taxpayers the opportunity to petition for an election
 - Property tax pledge – interest cost similar to a GO bond



Recommended Bond - Single Certificates of Obligation Issue

- Provides the lowest issuance cost by combining the tax supported and revenue supported into one issue
- Lowest interest rate
- No reserve fund required
- No separate, dedicated reserve fund required



Additional Public Information

- Public Hearings – May 24 and July 12
- City Matters Article
- City Manager's Update
- Facebook, Blackboard Connect
- Website www.leaguecity.com/bondissue2016



Timetable

May 24

Public Hearing

City Council considers Notice of Intent to
Issue Certificates of Obligation

July 12

Public Hearing

City Council considers Ordinance
Authorizing the issuance of Certificates of
Obligation

August 9

Funds are received

